

MEDIA RELEASE

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May Unemployment Rate 5.1%

Growth in Labor Force Causes Rise

NASHVILLE-Tennessee's unemployment rate for the month of May is 5.1 percent, up from April's seasonally adjusted rate of 5.0 percent, Commissioner of Labor & Workforce Development James Neeley announced today. The state rate remains below the May national rate of 6.1 percent.

"Even though the unemployment rate rose slightly in May, it is below where we were last year and considerably better than the U.S. average," said Commissioner Neeley. "We are coming into a volatile time of the year, when the school season ends, construction expands, and tourism-related industries prepare for their busy season."

April-to-May figures show seasonal employment increases in leisure and hospitality, up by 4,100.

Administrative/support/waste management increased by 3,200. Construction jobs also increased by 2,200. Decreases took place in state and local government educational services with job losses totaling 5,000. Professional/scientific/technical services decreased by 700.

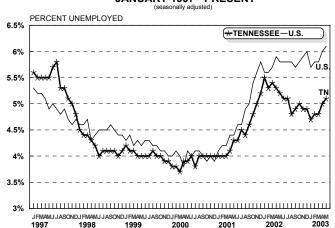
From May 2002 to May 2003, educational and health services increased by 11,500. There were also increases in the administrative/support/waste management jobs, up by 5,000. Decreases took place in manufacturing, down by 13,900. Construction jobs decreased as well, by 4,600; and trade, transportation and utilities declined by 3,600.

LABOR FORCE ESTIMATES SUMMARY - TENNESSEE

May 2003 (preliminary) - BM 2002

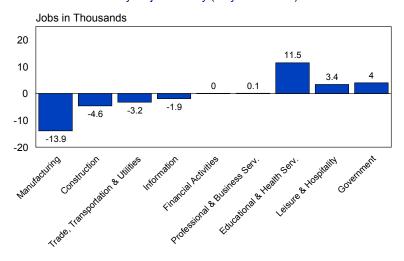
| | | | | Unemployment Rate | | Rate |
|-------------------------|-------------|-------------|--------------|-------------------|-------|--------|
| Seasonally Adjusted | Labor Force | Employment | Unemployment | May | Apr. | Change |
| UNITED STATES | 146,485,000 | 137,487,000 | 8,998,000 | 6.1 % | 6.0 % | 0.1 % |
| TENNESSEE | 2,906,000 | 2,756,600 | 149,400 | 5.1 | 5.0 | 0.1 |
| | | | | | | - |
| Not Seasonally Adjusted | | | | | | |
| UNITED STATES | 146,067,000 | 137,567,000 | 8,500,000 | 5.8 % | 5.8 % | 0.0 % |
| TENNESSEE | 2,885,800 | 2,753,000 | 132,800 | 4.6 | 4.8 | -0.2 |

UNEMPLOYMENT RATES - U.S. & TENNESSEE JANUARY 1997 - PRESENT



OVER THE YEAR JOB CHANGES

By Major Industry (May 2002-2003)



* ATTENTION: County and MSA rates will be released on Thursday June 26, 2003. (03-051)

NOTE: Information will be available on the Internet; enter "http://www.state.tn.us/labor-wfd/labor_figures".

NOTE: Tennessee's employment and unemployment statistics are based on two major surveys. The Current Population Survey (CPS) is a survey by place of residence providing estimates on the number of people in the labor force, total employment, unemployment, and the unemployment rate. Beginning in January 1992, the CPS data are seasonally adjusted for all states as directed by the Bureau of Labor Statistics. The business survey collects data by place of work and creates information about jobs in various industries. The business survey data are non-seasonally adjusted at this time.

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